

## **Minutes**

Citizen's District Council Meeting  
City of Muskegon CDBG  
Conference Room 203  
Muskegon, Michigan  
June 5, 2018

### **CALL TO ORDER:**

The meeting was called to order by Veania Coleman at 5:00 pm.

### **ROLL CALL:**

Roll call was taken by Oneata Bailey, and a quorum was present.

#### ➤ **Present:**

- ✓ Ken Johnson - Commissioner
- ✓ Veania Coleman
- ✓ Carrie Johnson
- ✓ Kim Burr
- ✓ Jeremy Lenertz
- ✓ Scott Banninga

#### ➤ **Absent:**

- ✓ Tom Pastoor
- ✓ Poppy Sias-Hernandez

#### ➤ **Excused:**

#### ➤ **Staff Present:**

- ✓ Oneata Bailey

### **APPROVAL OF MINUTES:**

A motion to approve the minutes from May 14, 2018 was made by Scott Banninga; Kim Burr seconded the motion, which pass unanimously.

### **OLD BUSINESS:**

**2018 Proposed Budget:** Changes made after the proposed budget was presented to the CDC were discussed. Oneata explained that the first proposed copy, had errors in it and had to be revised. She also talked about the initial presented budget that was put together for the initial CDC meeting where the budget was discussed. On that same day, HUD released CNS' total funding allocations numbers, giving more money than initially expected, causing a shift in budget allocations. The initial budget created by CNS and presented to CDC as a staff budget did not accurately represented all allocations and obligations. Carrie Johnson asked if Community

enCompass received \$100,000 as an allocation, would CNS/CDC have money left to run any of the existing programs (see general discussion). Oneata stated that it was her belief that there would not be enough, and that was why her recommendation was to keep them allocated at \$50,000. Commissioner Johnson and Oneata discussed if there was a carry-over balance for this funding category and also discussed what happened to and how much money was returned by Habitat for Humanity (another CHDO). Oneata stated that Habitat returned \$37,000, but the amount was suspended until HUD releases it to another activity and this must happen before it can be re-assigned to a different activity. Questions were asked by Veania Coleman and Scott Banninga about how the amount of money that is available for CHDO Allocation and also what the \$239,000 that is allocated for HOME Rehab Construction will be used for. Jeremy Lenertz asked why remaining funds from previous years was not reflected in anything presented to the CDC. Oneata explained that the information that was presented by staff, was in regard to the 2018 budget, a budget going forward. It does address monies given back by a CHDO (Habitat). Upon receiving recent notice from HUD, Oneata explained that money was discovered that she was previously unaware of. Jeremy explained that his stand is: that without being fully aware of previous balances, the CDC cannot advise a realistic budget. Oneata reminded everyone that before a CHDO can request future funds, their current project must be completed (see general discussion). The start date and deadline for Community enCompass' upcoming re-build project were discussed. The changes that happened with the proposed budget for 2018 were discussed next. Oneata explained that the Senior Pilot Program was deleted because seniors are already helped through Priority Home Repair. Jeremy Lenertz discussed the option of funding a Youth Opportunities/Internship-Summer Job program. He explained that the money in question, could fund summer internships for 20 kids. Chairperson Coleman agreed that that's where the money should go. Commissioner Johnson stated that he would advocate to the City Commission, that the funds are allocated for summer youth internship program and suggested not to pigeon hole the money, so there will be flexibility as far as which agency the money would help. The Code Compliance line item was also discussed. The issue was discussed whether or not the CDBG allocation for Code Compliance is needed if the program generates revenue.

The CDC recommended that all line items under the HOME Budget will remain the same as the previously proposed CDC and Staff Budgets, as follows:

<b>HOME Organization/Agency</b>	<b>Activity</b>	<b>2018 Staff-CDC Proposed</b>
CHDO Allocation	Housing Affordable Units****	\$ 50,000.00
CHDO Administration	Administration	\$ 5,000.00
COM - CNS	HOME Administration***	\$ 32,768.00
COM - CNS	HOME Rehab Construction *	\$ 239,913.00
<b>TOTAL</b>		<b>\$ 327,681.00</b>

The CDC Proposed Budget the following budget for 2018:

<b>CDBG Organization/Agency</b>	<b>Activity</b>	<b>2018 Staff Proposed</b>	<b>CDC 2018 Approved</b>
COM - Finance	Youth Opportunities/Summer Internships	\$ 5,000.00	\$ 55,000.00
COM - CNS	CDBG Admin **	\$ 187,531.34	\$ 187,531.34
COM - CNS	Priority Home Repair	\$ 150,000.00	\$ 125,000.00
COM - CNS	Services Delivery	\$ 75,000.00	\$ 75,000.00
COM - CNS	Residential Façade Program	\$ 50,000.00	\$ 50,000.00
COM - CNS	Senior Pilot Program	\$ -	
COM - Finance	Fire Station Bond Repayment	\$ 133,400.66	\$ 133,400.66
COM - Inspections	Dangerous Bldgs - Demolition	\$ 50,000.00	\$ 50,000.00
COM - Inspections	Dangerous Bldgs - Board-Ups	\$ 10,000.00	\$ 10,000.00
COM - Leisure Services	Youth Recreation*	\$ 90,000.00	\$ 90,000.00
COM - Planning	Code Enforcement Staff	\$ 50,000.00	\$ 25,000.00
COM - Engineering	Smith Ryerson Park	\$ 96,726.00	\$ 96,726.00
COM - Engineering	Neighborhood Beautification - 3rd St Sidewalks	\$ 40,000.00	\$ 40,000.00
	<b>TOTAL</b>	<b>\$ 937,658.00</b>	<b>\$ 937,658.00</b>

Chairperson Coleman asked for a motion to approve the recommended budget amounts. Jeremy Lenertz motioned to approve the recommended CDC CDBG budget and the staff proposed HOME budget, Kim Burr seconded the motion; which passed unanimously.

**NEW BUSINESS:** None

**STAFF REPORTS**

- The Action Plan for 2018 will submitted once there is a final budget.

**ADJOURN:**

Carrie Johnson motioned to adjourn the meeting, Kim Burr seconded the motion, which passed unanimously. Meeting adjourned at 6:03 pm.

**NEXT MEETING:**

The next meeting date is: August 7, 2018. **The July 3<sup>rd</sup> meeting is canceled.**

**GENERAL DISCUSSION:**

Before Old Business was discussed, a presentation was made by Kimi Zimmerman from Community enCompass in favor of funding the CHDO Allocation proposed in the budget at \$100,000; to rebuild a previously burned down, multi-unit affordable housing complex on Houston Street in downtown Muskegon. They plan to use a pre-fab house to rebuild because of the reduced cost and shorter turn-around time. CDC member Scott Banninga asked what happened to the insurance money received when the fire happened four years ago. Kimi explained how out of the \$80,000 insurance policy, \$10,000 was used to demo the house and the remainder went towards other projects. The remainder was just not enough to rebuild. In the past, Community enCompass has requested funds for rehab projects, not new builds. Chair-person Coleman inquired about any programs that Community enCompass has to help homeowners. Kimi described programs available through Community enCompass to help low income homeowners.

Chairperson Coleman requested that going forward, the CDC needs to be and remained informed and should do so early in the process as to avoid last minute budget issues.